

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3340 - SB 3490

March 1, 2010

SUMMARY OF BILL: Authorizes the sale of alcoholic beverages for on-premises consumption in a restaurant in a Tennessee River Resort District county that is located on a boat dock with an indoor seating capacity of at least 40 people and an outdoor seating capacity of 200 people.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant
Increase State Expenditures – Not Significant

Increase Local Revenue – Not Significant
Increase Local Expenditures – Not Significant

Assumptions:

- The provisions of this bill will apply to one restaurant.
- No additional personnel or resources will be required by the Alcoholic Beverage Commission (ABC).
- There will be an initial license application fee of \$300 and a \$1,100 annual renewal fee to the State ABC Fund.
- Any increase in local government expenditures related to the administrative cost of collecting local privilege taxes associated with such licenses is estimated to be not significant.
- According to ABC, the local privilege tax is \$900.

- Upon licensing, the entity will be assessed state and local sales taxes on alcoholic beverage sales, 15 percent liquor-by-the-drink tax on each alcoholic beverage sold and any applicable county or city privilege tax.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

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